TEL 152 LIBYA
IN POL LIBYA-UK (176) E2

Department of State TELEGRAM

CONFIDENTIAL 766

PAGE 01 TRIPOLI 02260 100732Z

EXCISE

19
ACTION AF-13

INFO OCT-01 ARA-08 EA-11 EUR-14 NEA-09 RSC-01 IO-12 E-11
COM-08 INT-06 OEP-01 OPIC-12 TRSE-00 CIAE-00 DODE-00
PM-06 H-02 INR-06 L-03 NSAE-00 NSC-10 P-03 PRS-01
SS-14 USIA-12 RSR-01 /165 W
030704

R 091520Z DEC 71
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC 8302
INFO USINT ALGIERS
BEIRUT 1385
AMEMBASSY BENGHAZI
AMEMBASSY CARACAS
AMCONSUL DHAHRAN
AMEMBASSY DJAKARTA
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY LAGOS
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY TEHRAN

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ DATE 6/22/81
PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L TRIPOLI 2260

SUBJ: NATIONALIZATION OF B-P

REF: A) BENGHAZI 471; B) TRIPOLI 2255

1. OTHER COMPANIES HERE ARE BEGINNING TO FEEL THE EFFECTS OF LARG DECREE NATIONALIZING B-P EXPLORATION. DECEMBER 8 MINISTRY OF PETROLEUM INSPECTORS INTERRUPTED TANKER LOADING OPERATIONS OF BOTH OASIS AND OCCIDENTAL. LONG AND INCONCLUSIVE DEBATE ENSUED, WITH INSPECTORS INSISTING LOADINGS REPRESENTED EXCESS BEYOND WHAT WAS PERMITTED IN COMPANIES' ALLOWABLE. WHEN CHALLENGED BY COMPANIES AS TO BASIS FOR DETERMINATION, INSPECTORS WERE CONFUSED AS TO WHAT ALLOWABLE IN EACH CASE REALLY WAS AND INSIST-ED IT WAS BASED ON AVERAGE LAST THREE MONTHS EXPORT RATHER THAN

2 4

Orig. 2260 12-9-71

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AVERAGE OF LAST THREE MONTHS PRODUCTION. BOTH COMPANIES WERE PERMITTED TO RESUME LOADINGS BUT LARG INSPECTOR AT OCCIDENTAL CONFESSED HE WAS UNDER ORDERS SIMPLY TO PUT THE PRESSURE ON COMPANIES AND REDUCE AMOUNT OF LOADINGS. IN MEETING MORNING DECEMBER 9, ATTENDED BY EMBOFF, [redacted] BY

[redacted]

2. OCCIDENTAL AND ESSO HAVE BOTH BEEN INFORMED THAT THEIR SENIOR LIBYAN TECHNICAL EMPLOYEE (ONE FROM EACH COMPANY) MUST REPORT TO BENGHAZI TO WORK FOR THE NEWLY-FORMED ARABIAN GULF EXPLORATION COMPANY, AS PER ARTICLE 17 OF THE NATIONALIZATION DECREE (PARA 6, REFTEL B). [redacted] BY

[redacted]

GP-4.
PALMER